

HEARING DATE AND TIME: May 31, 2012 at 9:45 a.m. (Eastern Time)

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Company GUC Trust

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X		
	:	
In re	:	Chapter 11 Case No.
	:	
MOTORS LIQUIDATION COMPANY, <i>et al.</i>,	:	09-50026 (REG)
f/k/a General Motors Corp., <i>et al.</i>	:	
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X		

**MOTORS LIQUIDATION COMPANY GUC
TRUST'S REPLY TO RESPONSE OF DOUGLAS STERETT
TO THE 170TH OMNIBUS OBJECTION TO CLAIMS
(WELFARE BENEFITS CLAIMS OF RETIRED
AND FORMER SALARIED AND EXECUTIVE EMPLOYEES)**

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TO THE HONORABLE ROBERT E. GERBER,
UNITED STATES BANKRUPTCY JUDGE:

The Motors Liquidation Company GUC Trust (the “**GUC Trust**”), formed by the above-captioned debtors (collectively, the “**Debtors**”)¹ in connection with the Debtors’ Second Amended Joint Chapter 11 Plan, dated March 18, 2011 (as may be amended, supplemented, or modified from time to time), files this reply (the “**Reply**”) to the response interposed by Mr. Douglas Sterett to the 170th Omnibus Objection to Claims (Welfare Benefits Claims of Retired and Former Salaried and Executive Employees) (ECF No. 8852) (the “**Omnibus Objection**”), and respectfully represents:

Preliminary Statement

1. On January 26, 2011, the Debtors filed the Omnibus Objection. The Omnibus Objection seeks the disallowance and expungement of certain compensation and welfare benefits claims of retired and former salaried and executive employees of the Debtors on the basis that such claims (a) are related to unvested welfare benefits that were capable of being modified or terminated by the Debtors at will pursuant to the terms of the operative documents governing such welfare benefits, and were modified or terminated in accordance with such operative documents, and (b) to the extent modified, have otherwise been assumed by New GM² pursuant to the terms of the Master Purchase Agreement and, as described in the Omnibus Objection, are not the responsibility of the Debtors or the GUC Trust and therefore should be disallowed and expunged from the claims register.

¹ The Debtors are Motors Liquidation Company (f/k/a General Motors Corporation) (“**MLC**”), MLCS, LLC (f/k/a Saturn, LLC), MLCS Distribution Corporation (f/k/a Saturn Distribution Corporation), MLC of Harlem, Inc. (f/k/a Chevrolet-Saturn of Harlem, Inc.), Remediation and Liability Management Company, Inc., and Environmental Corporate Remediation Company, Inc.

² Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Omnibus Objection.

2. Responses to the Omnibus Objection were due by February 22, 2011. The response listed on **Annex “A”** hereto and described further herein was filed with respect to the Omnibus Objection (the “**Sterett Response**”) by Douglas Sterett relating to his individual claim (the “**Claim**”).

3. The Sterett Response is generally not substantive, but is critical of the reduction or termination of welfare benefits provided to retired and former salaried and executive employees of the Debtors. After reviewing the Sterett Response, the GUC Trust³ respectfully reiterates the Debtors’ position in the Omnibus Objection, and submits that Mr. Sterett has failed to provide any legal or factual support for the Claim. Notwithstanding Mr. Sterett’s opposition, the Sterett Response should be dismissed because (i) the Debtors had a right to amend or terminate the employee welfare benefit plans (the “**Welfare Benefits Plans**”) providing medical, dental, vision, and life insurance benefits (the “**Welfare Benefits**”), including those on which the Claim is based, without further liability, and in all relevant instances did so, and (ii) New GM otherwise assumed Welfare Benefits as they existed on the Commencement Date and continues to provide Welfare Benefits as modified prior to their assumption by New GM, and consequently the Debtors and the GUC Trust have no liability for the Claim. Accordingly, the GUC Trust files this Reply in support of the Omnibus Objection and respectfully requests that the Claim be disallowed and expunged from the claims register.

4. The Debtors and the GUC Trust are, of course, sympathetic with the impact that the financial problems of the Debtors have had on Mr. Sterett’s welfare benefits.

³ While the Omnibus Objection was filed by the Debtors, this Reply is being filed by the GUC Trust because, pursuant to the Plan, the GUC Trust now has the exclusive authority to prosecute and resolve objections to Disputed General Unsecured Claims (as defined in the Plan).

However, in view of the Debtors' liquidation and under applicable law, there should be no other outcome.

The Claim Should Be Disallowed and Expunged

5. Mr. Sterett has failed to demonstrate the validity of his Claim and, thus, the Claim should be disallowed and expunged. *See, e.g., In re Oneida, Ltd.*, 400 B.R. 384, 389 (Bankr. S.D.N.Y. 2009), *aff'd*, No. 09 Civ. 2229 (DC), 2010 WL 234827 (S.D.N.Y. Jan. 22, 2010) (claimant has burden to demonstrate validity of claim when objection is asserted refuting claim's essential allegations).

**(A) The Claim Should Be Disallowed
As Debtors Had Right to Amend or Terminate Each Welfare Benefit Plan**

6. In the Sterett Response, Mr. Sterett has not demonstrated that the Debtors were bound by any legal or contractual requirement to continue to provide him, or other retired and former salaried and executive employees, with the Welfare Benefits on a permanent basis. The Omnibus Objection explains that the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), comprehensively regulates employer-provided welfare benefit plans, and that ERISA does not require an employer to provide or to vest welfare benefits. Welfare benefits provided under the terms of a welfare benefit plan may therefore be reduced or forfeited in accordance with the terms of the applicable welfare benefit plan. 29 U.S.C. § 1051(1); *see Moore v. Metro. Life Ins. Co.*, 856 F.2d 488, 491 (2d Cir. 1988); *Sprague v. Gen. Motors Corp.*, 133 F.3d 388, 400 (6th Cir. 1998).

7. In addressing claims similar to Mr. Sterett's Claim, the Sixth Circuit has noted that welfare plans such as the Welfare Benefit Plans are specifically exempted from vesting requirements (to which pension plans are subject) under ERISA, and accordingly, employers "*are generally free under ERISA, for any reason at any time, to adopt, modify or*

terminate welfare plans.” Curtiss-Wright Corp. v. Schoonejongen, 514 U.S. 73, 78 (1995) (emphasis added) (citing *Adams v. Avondale Indus., Inc.*, 905 F.2d 943, 947 (6th Cir. 1990)). As noted in the Omnibus Objection, however, the Sixth Circuit has recognized that once welfare benefits are vested, they are rendered forever unalterable.

8. Thus, Mr. Sterett bears the burden of showing that the Debtors intended to vest Welfare Benefits provided by the Welfare Benefits Plans, and did *in fact* vest the Welfare Benefits, such that Mr. Sterett has a contractual right to the perpetual continuation of his Welfare Benefits at a contractually specified level.

9. In the Sterett Response, Mr. Sterett has not provided any evidence that contradicts the Debtors’ common practice of advising participants of the Welfare Benefits Plans of the Debtors’ right to amend or terminate the Welfare Benefits at any time. Moreover, Mr. Sterett has not provided any evidence of a separate, affirmative contractual obligation on the part of the Debtors to continue to provide the Welfare Benefits specifically to Mr. Sterett. Therefore, the Debtors and the GUC Trust do not have any liability with respect to the reduction in or discontinuation of the Welfare Benefits.

(B) Ongoing Benefits Have Been Assumed by New GM

10. On the Closing Date, New GM completed its purchase of certain assets in accordance with the Master Purchase Agreement. Pursuant to Section 6.17(e) of the Master Purchase Agreement (*Assumption of Certain Parent Employee Benefit Plans and Policies*), New GM assumed the plans specified in a disclosure schedule, and the Welfare Benefit Plans are set forth on that schedule. New GM assumed the obligation to provide the Welfare Benefits to the extent required to be provided under the terms of the applicable Welfare Benefits Plan in effect on the Closing Date, including both responsibility for all claims incurred prior to the Closing Date and all future claims properly payable pursuant to the terms of the applicable Welfare

Benefit Plan in effect when such claims are incurred. Therefore, the Debtors and the GUC Trust do not have any liability with respect to Welfare Benefits that have been assumed by New GM, and Mr. Sterett has not provided any credible factual or legal basis to suggest otherwise.

The Sterett Response: Claim No. 64279: Douglas Sterett

11. On February 18, 2011, a response (ECF No. 9355) was filed on behalf of Douglas Sterett (the “**Sterett Response**”) stating opposition to the relief sought in the Omnibus Objection with respect to the Claim (*See* Proof of Claim No. 64279 at **Exhibit 1** hereto, and the Sterett Response at **Exhibit 2** hereto).⁴ The Sterett Response explains that Mr. Sterett was encouraged to take early retirement at age 60 by General Motors Corporation, and chose to accept the offer based on the terms and conditions presented to him by his former employer. Mr. Sterett notes that he would not have made the decision to retire without the welfare benefits component of the package, and requests as a result that the Court consider his Claim.

12. The Sterett Response provides no additional support for his Claim. The GUC Trust is not aware of any documentation or facts supporting the Claim. For the reasons set out above, the Debtors respectfully submit that the Sterett Response should be overruled, and the Claim should be disallowed and expunged.

Conclusion

13. Because (i) ERISA recognizes that employers are free to amend or terminate welfare benefits, (ii) no contrary contractual right to vested welfare benefits has been established by Mr. Sterett; and (iii) New GM assumed the Welfare Benefit Plans as modified, the Debtors and the GUC Trust have no liability for Mr. Sterett’s Claim. The GUC Trust reiterates that the Sterett Response has not provided any legal or factual support for the Claim and cannot

⁴ Mr. Sterett also filed a letter at ECF No. 9893 with documentation to support his Claim amount.

be afforded prima facie validity under the Bankruptcy Code. Accordingly, the Claim should be disallowed and expunged in its entirety.

WHEREFORE, for the reasons set forth above and in the Omnibus Objection, the GUC Trust respectfully requests that the Court grant the relief requested in the Omnibus Objection and such other and further relief as is just.

Dated: New York, New York
May 21, 2012

/s/ Joseph H. Smolinsky

Harvey R. Miller

Stephen Karotkin

Joseph H. Smolinsky

WEIL, GOTSHAL & MANGES LLP

767 Fifth Avenue

New York, New York 10153

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Attorneys for Motors Liquidation
Company GUC Trust

Annex A

170th Omnibus Objection to Claims (Welfare Benefits Claims of Retired and Former Salaried and Executive Employees)					
No.	Proof of Claim No.	Response Docket No.	Name	Total Claimed	Summary
1.	64279	9355 and 9893	Sterett, Douglas	\$113,443.00 (U)	Mr. Sterett's response explains that he was encouraged to take early retirement at age 60, and chose to accept the offer based on the terms and conditions presented to him by General Motors Corporation. Mr. Sterett notes that he would not have made such a decision without the welfare benefits component of the package, and requests that the Court consider his claim.

Exhibit 1



7014980



UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

PROOF OF CLAIM

Name of Debtor (Check Only One)
☐ Motors Liquidation Company (f/k/a General Motors Corporation)
☐ MLCS, LLC (f/k/a Saturn, LLC)
☐ MLCS Distribution Corporation (f/k/a Saturn Distribution Corporation)
☐ MLC of Harlem, Inc. (f/k/a Chevrolet-Saturn of Harlem, Inc.)

Case No
 09-50026 (REG)
 09-50027 (REG)
 09-50028 (REG)
 09-13558 (REG)

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case, but may be used for purposes of asserting a claim under 11 U.S.C. § 503(b)(9) (see Item # 5). All other requests for payment of an administrative expense should be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property) DOUGLAS STERETT

Name and address where notices should be sent
 DOUGLAS STERETT
 40679 VILLAGWOOD RD
 NOVI MI 48375

☐ Check this box to indicate that this claim amends a previously filed claim

Court Claim Number _____
 (If known)

Filed on _____

Telephone number
 Email Address

Name and address where payment should be sent (if different from above)

N/A

FILED - 64279
 MOTORS LIQUIDATION COMPANY
 F/K/A GENERAL MOTORS CORP
 SDNY # 09-50026 (REG)

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars

☒ Check this box if you are the debtor or trustee in this case

Telephone number

1 Amount of Claim as of Date Case Filed, June 1, 2009 \$ _____

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. If all or part of your claim is asserted pursuant to 11 U.S.C. § 503(b)(9), complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2 Basis for Claim Health Care/Life INS LOSS.
 (See instruction #2 on reverse side)

3 Last four digits of any number by which creditor identifies debtor 3485

3a Debtor may have scheduled account as N/A
 (See instruction #3a on reverse side)

4 Secured Claim (See instruction #4 on reverse side)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information

Nature of property or right of setoff ☐ Real Estate ☐ Motor Vehicle ☐ Equipment ☐ Other Describe

Value of Property \$ _____ Annual Interest Rate %

Amount of arrearage and other charges as of time case filed included in secured claim, if any \$ _____

Basis for perfection _____

Amount of Secured Claim \$ _____ Amount Unsecured \$ 113,443

6 Credits The amount of all payments on this claim has been credited for the purpose of making this proof of claim

7 Documents Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary (See instruction 7 and definition of "redacted" on reverse side)

DO NOT SEND ORIGINAL DOCUMENTS ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING

If the documents are not available please explain in an attachment

Date 11/29/09 Signature The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

FOR COURT USE ONLY



If an amount is identified above, you have a claim scheduled by one of the Debtors as shown. (This scheduled amount of your claim may be an amendment to a previously scheduled amount.) If you agree with the amount and priority of your claim as scheduled by the Debtor and you have no other claim against the Debtor, you do not need to file this proof of claim form, EXCEPT AS FOLLOWS. If the amount shown is listed as DISPUTED, UNLIQUIDATED, or CONTINGENT, a proof of claim MUST be filed in order to receive any distribution in respect of your claim. If you have already filed a proof of claim in accordance with the attached instructions, you need not file again.

5 Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a) If any portion of your claim falls in one of the following categories, check the box and state the amount

Specify the priority of the claim

☐ Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B)

☐ Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4)

☐ Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5)

☐ Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7)

☐ Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8)

☐ Value of goods received by the Debtor within 20 days before the date of commencement of the case - 11 U.S.C. § 503(b)(9) (§ 507(a)(2))

☐ Other - Specify applicable paragraph of 11 U.S.C. § 507(a)() Amount entitled to priority

* Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment



0051977323

LOSS CALCULATION FOR DOUGLAS STERETT (AGE 63) Life Insurance:

ANNUAL salary @ retirement: ~~12,000~~

Current value of	90,000
Company provided	
Life ins.	- 10,000
Value of lost ins.	<u>\$ 80,000</u>

Health Care:

pre 65 benefit loss	1360
	<u>x 24R</u>
post 65 benefit loss =	\$ 2720

\$1900
<u>x 16.17 YRS</u>
= \$ 30,723
+ <u>2720</u>
\$ 33,443

Total Loss

Health Care	33,443
Life ins	80,000
	<u>\$ 113,443</u>


 Pg 14 of 27
 APS200814901
 00042221
BALLOT #5718

PLEASE COMPLETE THE FOLLOWING

ITEM 1 Amount of General Unsecured Claim. For purposes of voting to accept or reject the Plan, the undersigned holds a General Unsecured Claim against the Debtor listed below in the amount set forth below

Claim Amount	\$113,443 00
Debtor	MOTORS LIQUIDATION COMPANY

ITEM 2 Vote on the Plan. The undersigned holder of a Class 3 General Unsecured Claim in the amount set forth in Item 1 above hereby votes to

Check one box ☐ Accept the Plan
☒ Reject the Plan

ITEM 3 Acknowledgement and Certification. By signing this Ballot, the undersigned acknowledges that the undersigned has been provided with a copy of the Disclosure Statement, including all exhibits thereto. The undersigned certifies that (i) it is the holder of the General Unsecured Claim identified in Item 1 above and (ii) it has full power and authority to vote to accept or reject the Plan. The undersigned further acknowledges that the Debtors' solicitation of votes is subject to all terms and conditions set forth in the Disclosure Statement and the order of the Bankruptcy Court approving the Disclosure Statement and the procedures for the solicitation of votes to accept or reject the Plan contained therein.

Print or Type Name of Claimant

DOUGLAS C STERETT

Social Security or Federal Tax I D No of Claimant

424-56-3485

Signature

Name of Signatory (if different than claimant)

If by Authorized Agent, Title of Agent

Street Address

40679 Village Wood Rd

City, State, and Zip Code

Nori, MI 48375

Telephone Number

248-305-9087

E-mail Address

Loudpipes@mail.com

Date Completed

2/6/11

Please check one or both of the below boxes, if the above address is a change of address for the purpose(s) of

☐ future notice mailings; AND/OR ☐ distributions





APS2080814901
00042221

DOUGLAS STERETT
40679 VILLAGWOOD RD
NOVI MI 48375

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL

FIRST-CLASS MAIL

PERMIT NO 18

DUBLIN OH

POSTAGE WILL BE PAID BY ADDRESSEE



THE GARDEN CITY GROUP, INC
ATTN MOTORS LIQUIDATION CO BALLOTTING CENTER
PO BOX 9386
DUBLIN OH 43017-9957

Exhibit 2

DOUG STERETT
40679 Village Wood Rd.
Novi, Michigan 48375
248/305-9087

February 18, 2011

The Honorable Robert E. Gerber
United States Bankruptcy Judge
United States Bankruptcy Court
One Bowling Green
Southern District of New York
New York, New York 10004

RE: Response to 170th Objection to Claims
Chapter 11, Case No. 09-50026

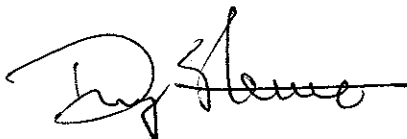
Dear Honorable Robert E. Gerber:

In November of 2006, I was encouraged to take an early retirement at age 60. I chose to accept that offer based on the terms and conditions presented. A significant factor in my decision was the health care and life insurance that were components of that offer. I would not have accepted the early retirement if the health care and life insurance were not as presented. I feel that I had a contract upon which I made a decision. I consider the changes in health care and life insurance coverage a breach of that contract. General Motors salaried employees and retirees have no collective bargaining. This is a distinct disadvantage in dealing with an issue such as this.

I am listed as a creditor in the **DEBTOR'S 170TH OMNIBUS OBJECTIONS TO CLAIMS**. My Claim Number is 64279, appearing on Page 6 of Exhibit A. The calculations to support the amount of my claim have been previously submitted to The Garden City Group, P.O. Box 9386, Dublin, Ohio 43017 on November 28, 2009. The data I submitted is based on the Loss Calculator provided to me by the General Motors Retirees Association.

I appreciate your consideration for my claim.

Respectfully,



Doug Sterett

cc: Judges Chambers
The Honorable Robert E. Gerber

Weil Gotshal & Manges, LLP

Exhibit 3

DOUG STERETT
40679 Village Wood Rd.
Novi, Michigan 48375
248/305-9087

February 18, 2011

The Honorable Robert E. Gerber
United States Bankruptcy Judge
United States Bankruptcy Court
One Bowling Green
Southern District of New York
New York, New York 10004

RE: Response to 170th Objection to Claims
Chapter 11, Case No. 09-50026

Dear Honorable Robert E. Gerber:

Enclosed is the documentation to explain the calculation of my claim amount.

I appreciate your consideration for my claim.

Respectfully,

A handwritten signature in black ink, appearing to read "Doug Sterett", with a stylized flourish at the end.

Doug Sterett

Enclosure

cc: Judges Chambers
The Honorable Robert E. Gerber

Weil Gotshal & Manges, LLP

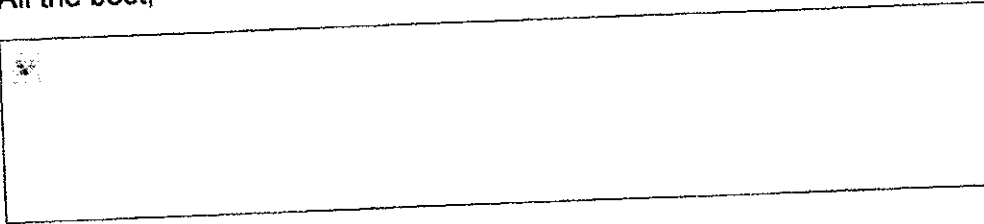
Alert - Salaried Retiree Loss Calculations

to send an additional communication upon request.

We hope you will find this information easy to understand and apply to your own situation. Please help us continue to grow GMRA by letting your active and retired GM friends and family know about our work on behalf of GM retirees.

Thanks again for your membership and support!

All the best,



Salaried Retiree Loss Calculations for GM Bankruptcy Claim Filing

Since the GM Bankruptcy Proof of Claim letters were mailed out many GMRA members have requested our recommendations on filing individual claims for loss. While every retiree has a unique situation, and we can't possibly respond to each individual, we can suggest some general guidelines for you to consider in measuring your loss, and for filing your claim. Typical loss categories include Life Insurance, Health Insurance (including Medical, Prescription, Dental, Vision and Extended Care Coverage) and Executive Supplemental programs. We recommend filing a separate claim for every loss category that applies to your situation.

Note: the filing deadline for receipt by Motors Liquidation is November 30, 2009, so you should act quickly if you wish to file a claim.

While GMRA can't give legal or financial counsel, we believe that it can't hurt to file if you feel you have lost significant value. However, you should know that the Unsecured Creditors' Committee of the Motors Liquidation Company ("old GM") will be sorting through literally thousands of claims, and it is generally expected at this time that claimants will only receive pennies on the dollar -- if anything at all.

For the purposes of this letter, we will focus on health benefits and life insurance, because those two areas impact nearly all salaried retirees. Retirees may also consider filing for losses in pension or other benefit programs impacted by the bankruptcy and in the period leading up to the bankruptcy. For example, Health Care benefits were eliminated for all retirees over 65 on January 01, 2009, just five months prior to the bankruptcy filing. Although this preceded the actual bankruptcy filing, the action was effected at a time during which General Motors was insolvent, as illustrated by the federal loans that began to support the company in December 2008. Similarly, many executives were severely impacted by changes in their non-qualified supplemental programs both before and after the bankruptcy filing date.

In the next sections of this letter, you will find step-by-step guides on how to calculate losses for health benefits and life insurance. Following these samples, you will find a table wherein GMRA has completed the health benefits calculation for your convenience. Just find your age as of January 1, 2009, and read across to view your Loss Calculation Total. This table is based on the Social Security Administration's period life table which predicts longevity based on gender and current age. (Please visit <http://www.ssa.gov/OACT/STATS/table4c6.html> to learn more about the Social Security Administration's period life table.) We suggest that the SSA table be used as

a reference for any separate loss calculations you may initiate.

GMRA will continue to investigate other options -- legal and otherwise -- on behalf of salaried retirees. In the meantime, use your best judgment on whether this applies to your personal situation, or, if appropriate, consult your attorney for more specific advice regarding your circumstances. If you no longer have your form and wish to submit a claim or your attorney advises you to submit a claim, the form can be obtained here: <http://www.motorsliquidation.com> or <http://www.uscourts.gov/bkforms>.

Life Insurance

Prior to the bankruptcy filing, salaried retirees had a Basic Life Insurance benefit equal to one year's base salary as of date of retirement. As announced following the bankruptcy filing, effective August 01, 2009, the Company reduced retiree Basic Life Insurance coverage to a maximum of \$10,000. While many retirees continue to pay for Optional and/or Dependent Life Insurance for themselves, their spouse, or their dependents after this date, the amount of the loss in Company-paid life insurance on the retiree should, in our opinion, be claimed as a loss.

The simplest method to calculate your loss would be to determine the amount of Company-provided Basic Life Insurance in effect prior to the August 1, 2009, reduction. Typically, this would be equivalent to the annualized salary of the employee in effect at the time of retirement. From this amount, simply subtract \$10,000. The difference is the amount that you have lost in the value of your life insurance. If an employee / retiree has died since the implementation of any of these reductions, a claim should be completed by the surviving spouse or the executor of the estate.

Sample Calculation

Annualized Salary at time of retirement	\$65,000
Current amount of Company provided Life Insurance	- <u>\$10,000</u>
Value of Lost Life Insurance	\$55,000

Health Care Benefit Losses

For those retirees and/or surviving spouses less than 65 years of age, GM recently announced a substantial increase in cost for continued participation in the GM plan, which also underwent significant plan modifications. Since those under 65 have not completely lost GM-paid health care coverage, it is necessary to first determine a value for the loss prior to age 65, then add that amount to the loss of all coverage beginning at 65 and through the remainder of your life expectancy.

For those who lost health care coverage prior to the bankruptcy filing, consider using the actual

Alert - Salaried Retiree Loss Calculations

date you lost the GM benefit as the start date for calculating your loss. For many this was Jan 01, 2009, or the month in which you became Medicare eligible.

Calculate the amount of loss for the retiree, spouse, and dependents separately, and then add the individual losses to determine the total loss.

Based on information recently provided by General Motors Company, the average cost of health care for Medical, Prescription, Dental, Vision, and Extended Care Coverage to the company under the salaried cap implemented in 2006/7 was \$5500. Based on the announced modifications, the Company has revised the cap and the new average cost to GM to provide GM-paid health care is \$4140 annually. GMRA recommends calculating the loss for health care using the difference between these figures, or \$1360 per year, per person under 65.

Beginning at 65, the loss per year, per person, would be \$5500 minus the \$3600 annual Level Benefit through life expectancy, or \$1900. This is only one method of determining your health care loss. If you have estimated costs for your unique situation, consider using those in your calculations.

Sample Calculation for a Male 58 year old retiree

All cost figures shown below are estimated!

Annual pre-65 benefit loss beginning 2010	1360
Number of years remaining until age 65	<u>X 7</u>
Amount of loss prior to age 65	\$9520

Add this amount to the estimate of health care benefit loss from age 65 until full life expectancy:

Annual post-65 benefit loss beginning 2017	\$1900
Number of years between 65 and full life expectancy	<u>X 14.97</u>
Amount of loss after age 65	\$28,443
Total Lifetime Loss	\$37,963

Dental Coverage

Included in health care calculation above

Vision Coverage

Included in health care calculation above

Extended Care Coverage (ECC)

Included in health care calculation above

7014980

UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

PROOF OF CLAIM

Name of Debtor (Check Only One):

- ☐ Motors Liquidation Company (f/k/a General Motors Corporation)
☐ MLCS, LLC (f/k/a Saturn, LLC)
☐ MLCS Distribution Corporation (f/k/a Saturn Distribution Corporation)
☐ MLC of Harlem, Inc. (f/k/a Chevrolet-Saturn of Harlem, Inc.)

Case No.

09-50026 (REG)
09-50027 (REG)
09-50028 (REG)
09-13558 (REG)

Your Claim is Scheduled As Follows:

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case, but may be used for purposes of asserting a claim under 11 U.S.C. § 503(b)(9) (see Item # 3). All other requests for payment of an administrative expense should be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property): DOUGLAS STERETT

Name and address where notices should be sent:
DOUGLAS STERETT

40679 VILLAGEWOOD RD
NOVI MI 48375

☐ Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
(If known)

Filed on: _____

Telephone number:

Email Address:

Name and address where payment should be sent (if different from above):

N/A

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

☒ Check this box if you are the debtor or trustee in this case.

Telephone number:

If an amount is identified above, you have a claim scheduled by one of the Debtors as shown. (This scheduled amount of your claim may be an amendment to a previously scheduled amount.) If you agree with the amount and priority of your claim as scheduled by the Debtor and you have no other claim against the Debtor, you do not need to file this proof of claim form, EXCEPT AS FOLLOWS: If the amount shown is listed as DISPUTED, UNLIQUIDATED, or CONTINGENT, a proof of claim MUST be filed in order to receive any distribution in respect of your claim. If you have already filed a proof of claim in accordance with the attached instructions, you need not file again.

1. Amount of Claim as of Date Case Filed, June 1, 2009: \$ _____

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. If all or part of your claim is asserted pursuant to 11 U.S.C. § 503(b)(9), complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. Basis for Claim: Health Care/Life Ins. Loss.
(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: 3485

3a. Debtor may have scheduled account as: N/A
(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Equipment ☐ Other
Describe:

Value of Property: \$ _____ Annual Interest Rate: %

Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____

Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ 113,443

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain in an attachment.

Date: 11/29/09 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Lynette Ott

FOR COURT USE ONLY

LOSS CALCULATION FOR DOUGLAS STERETT (AGE 63) LIFE INSURANCE:

ANNUAL salary @ retirement: ~~121,000~~

Current value of
Company provided
Life ins. 90,000

- 10,000

Value of lost ins. \$80,000

Health Care:

pre 65 benefit loss

1360
x 24R

post 65 benefit loss = \$2720

\$1900

x 16.17 YRS

= \$30,723

+ 2720
\$33,443

Total Loss

Health Care 33,443

Life ins 80,000

\$113,443

Social Security Online
Statistical Tables

Actuarial Publications



Period Life

Life Tables

A period life table is based on the mortality experience of a population during a relatively short period of time. Here we present the 2006 period life table for the Social Security area population. For this table, the period life expectancy at a given age represents the average number of years of life remaining if a group of persons at that age were to experience the mortality rates for 2006 over the course of their remaining life.

Period Life Table, 2006

Exact age	Male			Female		
	Death probability ^a	Number of lives ^b	Life expectancy	Death probability ^a	Number of lives ^b	Life expectancy
0	0.007349	100,000	75.10	0.006055	100,000	80.21
1	0.000465	99,265	74.66	0.000433	99,395	79.70
2	0.000321	99,219	73.69	0.000276	99,351	78.73
3	0.000244	99,187	72.72	0.000184	99,324	77.75
4	0.000194	99,163	71.74	0.000160	99,306	76.77
5	0.000181	99,144	70.75	0.000144	99,290	75.78
6	0.000174	99,126	69.76	0.000133	99,276	74.79
7	0.000163	99,108	68.77	0.000124	99,262	73.80
8	0.000142	99,092	67.79	0.000113	99,250	72.81
9	0.000112	99,078	66.79	0.000102	99,239	71.82
10	0.000085	99,067	65.80	0.000093	99,229	70.82
11	0.000085	99,059	64.81	0.000094	99,220	69.83
12	0.000135	99,050	63.81	0.000113	99,210	68.84
13	0.000251	99,037	62.82	0.000153	99,199	67.85
14	0.000416	99,012	61.84	0.000210	99,184	66.86
15	0.000595	98,971	60.86	0.000274	99,163	65.87
16	0.000765	98,912	59.90	0.000335	99,136	64.89
17	0.000928	98,836	58.94	0.000385	99,103	63.91
18	0.001077	98,745	58.00	0.000418	99,064	62.93
19	0.001208	98,638	57.06	0.000438	99,023	61.96
20	0.001343	98,519	56.13	0.000457	98,980	60.99
21	0.001470	98,387	55.20	0.000479	98,934	60.01
22	0.001549	98,242	54.28	0.000497	98,887	59.04
23	0.001567	98,090	53.37	0.000511	98,838	58.07
24	0.001540	97,936	52.45	0.000523	98,787	57.10

Exact age	Male			Female		
	Death probability ^a	Number of lives ^b	Life expectancy	Death probability ^a	Number of lives ^b	Life expectancy
63	0.014759	81,843	18.45	0.009424	88,951	21.32
64	0.015890	80,635	17.72	0.010174	88,113	20.52
65	0.017161	79,354	17.00	0.011009	87,217	19.72
66	0.018610	77,992	16.28	0.011986	86,257	18.94
67	0.020216	76,540	15.58	0.013117	85,223	18.16
68	0.021992	74,993	14.89	0.014430	84,105	17.40
69	0.023966	73,344	14.22	0.015924	82,891	16.64
70	0.026212	71,586	13.55	0.017646	81,571	15.90
71	0.028725	69,710	12.91	0.019544	80,132	15.18
72	0.031450	67,707	12.27	0.021523	78,566	14.47
73	0.034385	65,578	11.65	0.023551	76,875	13.78
74	0.037599	63,323	11.05	0.025717	75,064	13.10
75	0.041267	60,942	10.46	0.028247	73,134	12.43
76	0.045411	58,427	9.89	0.031187	71,068	11.78
77	0.049921	55,774	9.34	0.034405	68,852	11.14
78	0.054797	52,990	8.80	0.037905	66,483	10.52
79	0.060154	50,086	8.29	0.041808	63,963	9.92
80	0.066266	47,073	7.78	0.046337	61,289	9.33
81	0.073175	43,954	7.30	0.051587	58,449	8.76
82	0.080723	40,737	6.84	0.057503	55,433	8.21
83	0.088916	37,449	6.39	0.064135	52,246	7.68
84	0.097922	34,119	5.97	0.071587	48,895	7.17
85	0.107951	30,778	5.56	0.079984	45,395	6.68
86	0.119182	27,456	5.18	0.089431	41,764	6.22
87	0.131736	24,183	4.81	0.100009	38,029	5.78
88	0.145669	20,998	4.46	0.111773	34,226	5.37
89	0.160978	17,939	4.14	0.124745	30,400	4.98
90	0.177636	15,051	3.84	0.138938	26,608	4.62
91	0.195594	12,378	3.56	0.154348	22,911	4.28
92	0.214792	9,957	3.30	0.170963	19,375	3.98
93	0.235163	7,818	3.07	0.188761	16,062	3.69
94	0.256634	5,979	2.86	0.207711	13,030	3.44
95	0.277945	4,445	2.67	0.226885	10,324	3.20
96	0.298731	3,209	2.51	0.245997	7,982	3.00
97	0.318602	2,251	2.36	0.264731	6,018	2.81
98	0.337164	1,534	2.24	0.282754	4,425	2.65
99	0.354023	1,017	2.12	0.299719	3,174	2.49
100	0.371724	657	2.01	0.317702	2,223	2.35